October 28, 2020

The Honorable Eric Hargan
Deputy Secretary
U.S. Department of Health and Human Services
200 Independence Avenue SW
Washington, D.C. 20201

Dear Deputy Secretary Hargan:

Early detection and treatment of COVID-19 is vital for high-risk populations such as Medicare beneficiaries. The Centers for Medicare & Medicaid Services has recognized this by rewarding quick COVID-19 test result reporting by making a payment add-on for tests turned around within two days. CMS also is reducing the payment rate for tests taking longer than two days beginning January 1, 2021. Early reporting of COVID-19 testing is critical to the patient’s health.

Hospitals all across the country have been challenged to find ways to perform COVID-19 lab testing at the local level in an accurate and timely manner. Lab testing equipment that allows hospitals to perform automated testing for COVID-19 commonly is on extended backorder. Hospitals already have the lab testing equipment grapple with gaining access to reagents that seem to be on extremely limited allocations. Without having a means to do COVID-19 testing at the local level, hospitals must rely on reference labs to perform the testing which may take up to three or more days before testing results are reported. Within rural areas, this timeline is further delayed due to limited courier services to deliver the specimen to the reference lab. With the recent spikes in COVID-19 cases developing across the state, hospitals must have a more timely response to diagnose and treat COVID-19 in their communities.

Some hospitals have access to multiplex testing that is more timely. Multiplex testing, such as BioFire and QIAstat, assesses whether a patient is positive for COVID-19 as well as other targeted illnesses. However, most of the multiplex testing that is available to hospitals is not a covered Medicare benefit. CMS is allowing the regional Medicare Administrative Contractors to develop their own Local Coverage Determination to specify whether to cover multiplex testing. Wisconsin Physician Services, the MAC for most Missouri hospitals, has implemented LCD (LCA) A57579. The LCD limits Medicare coverage for respiratory panels to three to five targets. A number of Missouri hospitals has purchased automated lab testing equipment and have access to testing supplies to test more targets than is allowed under the LCD. When the tests are performed, Medicare will not pay for them.

The lack of available COVID-19 diagnostic testing options along with restrictive WPS policy often places the hospitals in the center of a no-win situation. Hospitals are left with a choice of outsourcing COVID-19 testing and delaying targeted treatment or performing the test internally without compensation. This especially is alarming with the onset of the influenza season, which infectious disease experts indicate adds a whole new layer of unpredictability.
MHA is asking CMS to consider waiving the LCD restrictions during the public health emergency for multiplex testing, specifically those that exceed five targets, or work with the vendors to make multiplex tests of three to five targets available to providers. MHA also is asking CMS to develop a National Coverage Determination because COVID-19 testing is not a localized issue — it is a national public health emergency.

Sincerely,

[Signature]

Herb B. Kuhn
President and CEO

hbk/jk

c Dr. Patricia Meier
Jeff Kahrs